STATE OF CALIFORNIA GRAY DAVIS, Governor

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



July 3, 2003 **Agenda ID #2380**

TO: PARTIES OF RECORD IN APPLICATION 99-09-011

This is the draft decision of Administrative Law Judge Patrick. It will not appear on the Commission's agenda for at least 30 days after the date it is mailed. The Commission may act then, or it may postpone action until later.

When the Commission acts on the draft decision, it may adopt all or part of it as written, amend or modify it, or set it aside and prepare its own decision. Only when the Commission acts does the decision become binding on the parties.

Parties to the proceeding may file comments on the draft decision as provided in Article 19 of the Commission's "Rules of Practice and Procedure." These rules are accessible on the Commission's website at http://www.cpuc.ca.gov. Pursuant to Rule 77.3 opening comments shall not exceed 15 pages. Finally, comments must be served separately on the ALJ and the assigned Commissioner, and for that purpose I suggest hand delivery, overnight mail, or other expeditious method of service.

/s/ Angela K. Minkin Angela K. Minkin, Chief Administrative Law Judge

ANG: avs

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U 902 E) in the Second Annual Transition Cost Proceeding Regarding the Transition Cost Balancing Account (TCBA).

Application 99-09-011 (Filed September 1, 1999)

ORDER DENYING PETITION TO MODIFY DECISION 00-10-048

On December 7, 2000, Enron Energy Services, Inc. (Enron) filed a petition to modify Decision (D.) 00-10-048 in San Diego Gas & Electric Company's (SDG&E) Second Annual Transition Cost Proceeding (ATCP). In its petition, Enron seeks to modify the competition transition charge (CTC) revenue requirement that the Commission adopted for SDG&E for 2001. Enron contended that the adopted revenue requirement of \$115 million may have been reasonable when made; however, events in the electric wholesale market required that this revenue requirement figure be modified.

Discussion

After Enron filed its petition in this proceeding, the Commission addressed SDG&E's competition transition charge revenue requirement in a subsequent proceeding, Application (A.) 01-09-003. In that proceeding the Commission adopted a revenue requirement of \$115 million for SDG&E's competition transition charge revenue requirement to be continued through 2003 (D.03-02-028). Therefore, Enron's petition in the earlier proceeding, A.99-09-011, is most and the petition should be denied.

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Comments on Draft Decision

The draft decision of the Administrative Law Judge was mailed to the parties in accordance with Pub. Util. Code § 311(d) and Rule 77.1 of the Rules of Practice and Procedure. Comments were received on ________

Assignment of Proceeding

Geoffrey Brown is the Assigned Commissioner and Bertram D. Patrick is the assigned Administrative Law Judge in this proceeding.

Finding of Fact

The Commission addressed SDG&E's competition transition charge revenue requirement in a subsequent proceeding A.01-09-003, after Enron filed its petition. Enron did not participate in that proceeding.

Conclusion of Law

Enron's petition to modify SDG&E's competition transition charge revenue requirement in the earlier proceeding, A.99-09-011, is most and the petition should be denied.

ORDER

IT IS ORDERED that:

1. Enron's petition to modify San Diego Gas & Electric Company's competition transition charge revenue requirement adopted in Decision 00-10-048, is denied.

2. This proceeding is closed.

This order is effective today.

Dated ______, at San Francisco, California.